

**Savings Board of Directors
Investment Committee Meeting
August 19, 2016
Minutes**

Committee Members Present:

Chair Young Boozer

Mr. Daniel Hughes by phone

Mr. Dennis Beavers by phone

Others in Attendance:

Ms. Daria Story, Assistant State Treasurer

Ms. Anita Kelley, Program Director

Ms. Annoesjka West, Callan

Mr. Jay Steinacher, Union Bank and Trust

Mr. Rob Noe, Wilshire

Pursuant to public notice, a meeting of the CollegeCounts Investment Committee was held on August 19, 2016.

The meeting was called to order by Chair Young Boozer at 1:09 p.m.

Roll was taken with a quorum present pursuant to Section 16-33C-10 of the Code of Alabama (1975).

Chair Boozer called on Rob Noe to discuss the memorandum regarding the replacement recommendations for the Lord Abbett Developing Growth Fund. Mr. Noe discussed ten initial candidates that Wilshire had identified as potential replacements along with an overview of the three finalists from that list which included Artisan, Elk Creek and Arrowpoint. Mr. Hughes asked for additional information regarding the T. Rowe Price QM US Small Cap Growth Fund. Ms. West stated that Callan has a favorable opinion of the T. Rowe Price QM Small Cap Growth Fund given the portfolio management team's stability, the firm's track record in managing small cap assets, the fund's consistent and robust performance track record and the competitive fee structure. She said that while the Fund's assets under management are higher than preferred, the portfolio management team has been able to deliver consistent results. After lengthy and thorough discussion, Treasurer Boozer asked Ms. West what the Morningstar rating is for the T.Rowe Price QM Small Cap Growth Fund. Ms. West stated the Fund has a rating of 5 Stars. A motion to approve the movement of all existing balances from the Lord Abbett Developing Growth Fund to the T. Rowe Price QM US Small Cap Growth Fund was made by Chair Boozer, seconded by Mr. Hughes, with unanimous approval.

Mr. Steinacher stated that a supplement to the Personal Disclosure Statement for the Advisor Plan would be mailed by August 29, 2016 notifying account holders of the fund change and the funds would be moved from the Lord Abbett Developing Growth Fund to the T. Rowe Price QM US Small Cap Growth Fund on September 28, 2016.

There being no further business to discuss, the meeting adjourned at 1:35.

Anita Kelley, Recording Secretary

Young Boozer, Chair